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CAN WE AFFORD TO DISARM?

J. P. MORRAY

TAX GUIDE FOR THE RICH

FRANK BELLAMY

The Jazz Scene

JIM HIGGINS

VOL. 12

2

EDITORS · LEO HUBERMAN · PAUL M. SWEEZY

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NOTES FROM THE EDITORS

Our eleventh birthday meeting on May 4 was the second largest in our history. Over 800 people filled the hall to hear "Report on Cuba." Immediately following the meeting, the editors left their desks again for their hideout in the country to finish the writing on *Cuba—Anatomy of a Revolution*. That was to be a July-August double issue of 64 pages but it looks now as if it will be a sewn book of about 192 pages. We expect to have it mailed to you by July 4. Because of the extra expense of printing so large an issue of the magazine, we will not be able to sell additional copies to subscribers. But we hope to have ready at the same time a clothbound edition of the book with 16 pages of photographs which, unfortunately, cannot be included in the magazine. The clothbound book will sell for $3.50 but you can get it at the subscribers' special prepublication price of just $2 per copy. Publication date is July 28 so be sure to have your order in before that date. See back cover for further details.

Still available at pre-publication price is Professor Dobb's *An Essay On Economic Growth And Planning*. As we warned our readers in the May issue, this book is a *must* for economists but may be too technical for the average reader. If you are not especially interested in the subject of economic growth, don't order it; if you are, and are prepared to study the book carefully, then order it now for $2.25 and save $1.25.

(*continued on inside back cover*)

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CAN WE AFFORD TO DISARM?

BY J. P. MORRAY

There are two great topics which would have been appropriate subjects for analysis in this space this month: The first is the incredibly rapid deterioration in the international position of the United States, as indicated by the Korean and Turkish crises followed almost immediately by the spy-plane incident over the USSR. The second is the collapse of the Paris summit meeting which has just broken up as we write these lines. At the present time, however we are unavoidably fully occupied in writing the special Cuba issue which will be distributed next month. Under the circumstances, we confess our inability to do justice to either of these subjects. Rather than try to "get by" with an obviously inadequate commentary, we have decided to run what may be called a "guest Review of the Month." It is the text of a talk given at the University of California, Berkeley, on November 23, 1959 by Visiting Associate Professor J. P. Morray of that institution. We cannot imagine anything more pertinent to both of the subjects listed above, and we are happy to run it in this space in order to emphasize our complete agreement with what Professor Morray says. In our own past writings on disarmament, we have always put the emphasis on the economic aspects. Professor Morray's emphasis is complementary and leads to identical conclusions. Professor Morray is the author of *Pride of State* (Beacon Press, 1959).—The Editors

Most of you know that during Mr. Khrushchev's recent visit to this country he made a speech to the General Assembly of the United Nations in which he proposed total disarmament of all states, leaving governments with small arms only, no more than enough to maintain domestic order. Mr. Khrushchev said that with total disarmament the reasons for Soviet objections to unlimited inspection and control would disappear. "The controllers," he said, "would be able to exercise their zeal to the hilt." It is to that proposal, a new departure in the international affairs of our day, that my remarks refer. Can we afford to disarm totally?

Notice that the question contains an ambiguity, a very serious ambiguity in the word "we." Who is "we"? The people in this room, the people of the United States, the government of the United States? These groups might well give different answers to the question. To give the discussion the most practical importance, I suppose we ought

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to consider the question from the point of view of the makers of the policy. But since I do not form a part of that distinguished group, it is inappropriate to speak in terms of "we." During the next few minutes, therefore, I intend to give my answer to the modified question, "Can They Afford to Disarm?" meaning by "they" the National Security Council, the President, the owners of American industry, the leading politicians of the two parties, the group that C. Wright Mills named "the power elite." As to my own ideas on the policy questions, I will have a few words later. At the outset I am speaking in the role of an accountant who has been asked for an objective opinion as to what a proposed course of action will cost. Imagine, if you will, that you are listening to a report prepared for the National Security Council. In my audit of the political accounts of the government of the United States I find that certain international political investments are going to have to be written off as total losses as a result of disarmament. By chance my report, like President Wilson's famous document, contains fourteen points. Let me summarize these prospective losses before going into some of the items in details:

(1) The campaign to keep Communist China ostracized will end in defeat. Total disarmament necessarily entails *de facto* recognition of Communist China by the United States.

(2) Formosa will be incorporated into Communist China.

(3) Korea will be unified under a Communist regime.

(4) The American and French protectorate government in Laos will fall to the pro-Communist revolutionary movement known as Pathet Lao.

(5) Vietnam will be unified under a Communist regime.

(6) SEATO will become five dead letters—S-E-A-T-O.

(7) The weak pro-American governments in Thailand and the Philippines will be exposed to invigorated revolutionary movements at the same time that they are deprived of American protection. Outcome uncertain.

Moving about the globe to the Middle East:

(8) CENTO, the new Central Treaty Organization which is the Baghdad Pact without Baghdad, will become five more dead letters.

(9) The Eisenhower Doctrine will lapse.

(10) American and European interests in Middle Eastern oil

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production will be nationalized without long delay and without adequate compensation.

(11) American investments all over the world, in Cuba, Brazil, Venezuela, Indonesia, the Philippines, as well as in the Middle East, will be in peril. To state it another way, world capitalism will be depressed if not doomed.

(12) In Europe, East Germany will be recognized. Mr. Adenauer will lose the battle of his life. Germany will move toward unification with full representation for the East German regime. Mr. Dulles will turn over in his grave.

(13) The pro-Communist governments of the Peoples' Democracies of Eastern Europe will be stabilized. No one will any longer be able to talk of "liberating the satellites" in the hope of being believed.

(14) Finally, the United States will have to find a totally new foreign policy to substitute for the one invented by Mr. Acheson and Mr. Truman and faithfully developed by Mr. Dulles and Mr. Eisenhower. It is called the policy of building "positions of strength," meaning military strength.

Continuing as the political accountant to the National Security Council:

Time permits me to discuss only a few of these conclusions. Some of them are obvious. For example, Number One, dealing with the recognition of Communist China. If states are to bind themselves to give up arms, China cannot be left free to do as she pleases. Therefore, she must be a party to the negotiations. Immediate *de facto* recognition in order to get the signature of the Communist government on the agreement is inescapable. *De jure* recognition would probably follow shortly as a necessary convenience and safeguard to all parties.

Number Two, the loss of Formosa. The Chiang Kai-shek regime rests on the shoulders of the United States Navy, Air Force, and Army. If the Seventh Fleet is retired from the Formosa Straits to the scrap heap, if the Air Force and Army units now stationed in Formosa are brought home and demobilized, what will be left of Chiang Kai-shek? This Chinese civil war will doubtless be resumed with whatever weapons are left the antagonists, with propaganda, blandishments, and strength of will. Can anyone imagine the Chiang regime reconquering the mainland under such conditions? This would be so

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far out of the question that I can only predict a very quick reconciliation—on Peking's terms. It is the presence of United States military force which prevents that from happening now.

Number Three, the collapse of anti-Communism in South Korea. At present all foreign troops, that is, Chinese troops, have been withdrawn from North Korea. The Communist states have been calling for months, unsuccessfully, for a withdrawal of all foreign troops from Korea. General disarmament would produce exactly the change in Korea that the Communists desire, the withdrawal of the only foreign forces left on the scene. This civil war would also probably be resumed as the American forces departed. There is no reason to suppose that Mr. Rhee would be any more successful today than he was when the United States forces saved him in 1950. He is the Chiang Kai-shek of Korea, a pathetic anachronism who is able to continue his bluster and threats only because it suits the purpose of the United States government to give him protection.

Number Four, Laos. There, also, a civil war is brewing. The present government is supported by French military forces and by a growing number of American military personnel in civilian clothes. This support would be withdrawn under general disarmament. The rebel force is called the Pathet Lao. It is an indigenous force led by a prince of the royal house. A recent United Nations mission was unable to find evidence that the ranks of the rebellion include foreign troops. The principal consequence to Laos of general disarmament would seem to be the loss of American and French protection by the government. The odds in favor of an ultimate Communist success would be markedly increased.

As to the other Asian points, they are all derived from the same observation. The United States is a military power in Asia. It uses that power through SEATO and bilateral pacts to protect anti-Communist governments and put a check on the developing forces of revolution. If this power is withdrawn, the growing popular will to emulate China is likely to prevail.

Local Communist movements also exist in the Middle East. Some of them are already strong enough to make a serious bid for power. They are restrained in the present situation, I believe, by the fear of touching off World War III. If the Communists in Iraq, for example, took over the government, it is not unlikely that the United States would intervene in some form or another. This could provoke a Russian counter-intervention. The Middle East would become a battle-

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field of giants, with woe for those miserable peoples caught in the cross-fire. This restraining dread depends on United States and Russian capabilities to intervene with force. If this possibility is ended by general disarmament the Middle Eastern Communist movements are likely to act more boldly.

The other force at work in the spirits of the people of the Middle East is nationalism. This powerful sentiment is continuously antagonized in the present situation by foreign ownership and operation of the oil enterprises. American policy in the area, expressed in CENTO, the Eisenhower Doctrine, and the construction of military bases is not designed solely to deter a Russian military aggression. It is also designed to give protection to governments that resist these popular pressures toward nationalization of foreign enterprises. If the United States loses its power to send in the Marines and Navy Air to protect cooperative governments, the cooperation will not last long. Nationalism will explode with the departure of American guns. (Before the National Security Council it would, of course, be unnecessary to argue that private American oil interests in the Middle East coincide with the United States national interest. What is good for ARAMCO is good for the United States of America.) But diplomacy in behalf of the oil interests now depends on force to back it up. Withdraw the force and diplomacy will become a laughing-stock.

What is perfectly clear in the Middle East is also more or less clear in the other parts of the world where there is large American investment, Western Europe excepted. The popular pressures for nationalization of all foreign-owned properties can now be resisted because the United States is able to protect collaborating governments with arms aid, military training missions, and the threat of United States forces ready for action at any point on the globe. International capitalism survives in Asia, the Middle East, Africa, and South America thanks to cooperation from local middle-class governments which are unwilling to offend the United States. But that spirit of cooperation is due in part to American power, military power. Thanks to the State Department, there is some law left in the world for the investor, that is, some respect for his private property. But the State Department is dependent on the Pentagon, or, to put it differently, law rests on force. Investors know this. With disarmament, many of them will soon be on their way home from different quarters of the globe, salvaging what they can.

As to the points relating to Europe, West and East, I base them

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on a comparison of what the two great powers presently want and what general disarmament would achieve. The Soviets, on the one hand, have long proposed liquidation of all foreign military bases and withdrawal of all foreign troops from Western Europe, including West Germany, in return for withdrawal of all Soviet forces from Eastern Europe. The West has constantly opposed this change. It would seem that the Soviets have more confidence in the self-reliance of their friends than we have in ours. Since such a withdrawal would be brought about by general disarmament, I conclude that the East European regimes would thereby receive advantages outweighing disadvantages. To be concrete, the Hungarian Communists are willing to give up the help of Soviet troops if they can be relieved of the threat from American troops now stationed in West Germany.

Dropping now my role as the objective political accountant, what can we say from our own point of view as to what the decision ought to be? I repeat, "ought to be." This is quite a different question from what it is likely to be. It is clear already that the United States government does not like the new Soviet proposal. Opinion in Washington seems to be divided between rejecting it outright and rejecting it after talking about it for awhile, by imposing conditions on acceptance bound to defeat it. One prerequisite condition being discussed publicly by Mr. Herter, Mr. Nixon, and Mr. Lodge is the creation of a United Nations police force. If such a force were created as a part of a plan to disarm states, it could be used to rule the world by means of its monopoly of military force. Can you see the United States government consenting to give a world monopoly of military force to a Communist dominated organization? This absurdity is no greater than that of asking the Soviet Union to acquiesce in conferring such a monopoly on the United Nations, where the balance of votes is still heavily anti-Communist. The conflict of ideology between the two powers simply does not permit any hope of mutual consent to such a world force. To propose such a condition is to reject disarmament.

What ought the government, then, to do? In my opinion, not one of the fourteen prospective losses in the account is of serious consequence to the American people. It was a great error in the first place to tie our policy to regimes that are unlikely to survive general disarmament. This lack of survival potential shows that Washington has surreptitiously been playing the role of the imperialist. If Communism is indeed the wave of the future in Asia, I face that possibility

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with complete equanimity. So be it. As for the inconvenience to American businessmen, none of them will starve. Let a law be passed making needy foreign investors eligible for social security.

The "positions of strength" policy was formulated when the United States had a monopoly of the atom bomb and expected to be able to develop predominant force if only it willed to do so. A few years ago Mr. Eisenhower gave NATO its motto in a verse from the Gospel according to St. Luke: "When a strong man armed keepeth his palace, his goods are in peace."

Someone should have told Mr. Eisenhower about the verse next following: "But when a stronger than he shall come upon him . . . he taketh from him all his armor wherein he trusted."

It is no longer possible for the United States to win an arms race. This is a totally new fact. In the past, Soviet proposals as to disarmament have been dismissed as the strategy of the weak to deprive an opponent of his advantage. That is obviously no longer the situation. They can go at least as far and as fast as we can. And if it leads to war, it is a dark question as to who would come off the worse. We must face these new and disagreeable facts.

One final word. The vast majority of the people of the world want disarmament. They can afford to disarm. Reaction around the world to the Soviet proposal shows that Mr. Khrushchev has already won a major propaganda victory. If the United States government persists in its negative attitude, I fear nothing less for us than the condemnation of history. Not my whole slate of fourteen points together will be an acceptable excuse. We will simply be—the bad guys.

Something to Worry About

If you want something to worry about, start thinking of what a shift from nuclear headed missiles to chemical and biological warfare would mean to some of your electronic stocks. And it's not too fantastic a possibility. A load of 450 pounds of new biological agents could kill 75 percent of the people in a 34,000 square mile area—roughly the extent of all the New England states, excluding Maine.

—John Harriman, Boston Globe, May 11, 1960

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TAX GUIDE FOR THE RICH

BY FRANK BELLAMY

Are you one of those poor working slobs whose tax is plucked from your paycheck before you even see it? If so, pass this article by. It is not for you.

This treatise is for the rich, for those who have clipped coupons and thrilled to the touch of dividend checks, who call Congressmen by their first names, and who are looking for ways to slip swag past the tax collector.

The Internal Revenue Code is a wonderwork of inequities and complexities, obscurities and confusions, abuses and privileges. But next to none would benefit or interest a lowly wage earner who needs no Philadelphia lawyer or tax accountant to show him how to staple his W-2 form to his 1040 return once a year.

This is for taxpayers of standing who are looking for tax holes to crawl through, but who balk at paying the going rate for advice of this sort. Tax help to the well-to-do is already a major industry in the United States, but it comes high. Prentice-Hall, for instance, charges $35 for its *President's Guide*, which lists tax dodges available to company presidents. This issue of MONTHLY REVIEW, by contrast, is only 35 cents; and while the following is limited to generalities, if it suggests only one overlooked gimmick, it will more than repay the effort that you, dear rich reader, put into its perusal.

Radicals and other malcontents will holler that the progressive income tax is getting progressively less progressive, that it is no longer genuinely based on the principle of ability to pay. They will moan that the tax code is hypocritical because it pretends to put high rates on the rich, but actually places increasingly heavier burdens on wage and salary earners. Ignore this maliciousness. It is envy-inspired, even if true.

Only a *shlimazel* relies solely on wage income nowadays. It is just too expensive to hold a salaried job and nothing else. A man who

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draws a salary of $10,000 a year has to pay just as much income tax as one who dabbles in real estate or other speculation and clears $20,000 in long-term capital gains. The moral is clear: stay home and speculate with other people's money (for which you can deduct the interest paid on debt).

Rejoice, O well-heeled reader, that the old idea of a progressive income tax as a means of redistributing wealth is pretty much dead. True, a few reformers still rant about using the tax power to curtail private fortunes and assist the lower classes. But these misfits are more a nuisance than a danger. Tax laws do little to limit the share of the rich and increase the share of the poor and the middle-income groups. As for the personal income tax, it is—happily for you—no longer a "rich man's tax" but an "everyman's tax."

Only 2.5 million persons paid this tax in 1929, and only 3.9 million in 1939. But now 46 million share the burden. And 80 percent of the total yield is wrenched from those dolts in the lowest tax bracket, individuals who pay a 20 percent tax on adjusted gross income under $3,000.

It is actually a challenge to your ingenuity that the income tax structure still retains a schedule of rates that rise steeply from 20 percent to a peak of 91 percent on taxable income over $200,000 per individual. These higher rates can become largely meaningless for you, as they have for so many upper-income taxpayers, if you avail yourself of the variety of tax avoidance devices at your disposal. High rates in upper brackets are, after all, chiefly a façade to spare the public the aggravation of knowing what their betters are getting away with.

While lower-income taxpayers pay close to or at the scheduled tax rates, the 91 percent tax bite is more fictional than real. Nobody pays it, not even a multi-millionaire on the last dollar of his income. The Treasury Department's *Statistics of Income—1956* showed just how much you can evade if you know the ropes. In that year an income of $1,000,000 or over put one in a 91 percent tax bracket. Only fools paid that much. The actual tax paid on single returns averaged 45.6 percent and on joint returns 37.8 percent.

Thanks to Congress, the scheduled rates are rendered largely ineffective by special rights imbedded in the tax laws especially for the rich to pluck. Unfortunately, however, some of these preferential provisions are so complicated that the unassisted rich are in danger of overlooking them.

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Essential Rules to Follow:

Collect dividends. The first $50 of dividend income received each year—$100 if your wife collects dividends too—is tax free. Not only that, but you are allowed to claim a special tax credit of 4 percent of all dividends received. This dividend exclusion and credit is available equally to rich and poor. But since the rich are naturally more equal than the poor, they naturally derive more benefit. In 1956, one out of every 50 taxpayers with an adjusted gross income under $3,000 took a dividend credit and saved an average $17 in taxes. In contrast, 90.7 percent of those in the $1,000,000-plus bracket saved an average of $33,235 in dividend credit. The total revenue lost to the Treasury in 1956 through dividend exclusion and credit was slightly over $350 million. It is probably more than $400 million today.

Look into livestock. You undoubtedly knew that while the top rate on ordinary income is 91 percent, the top rate on capital gains is a mere 25 percent. But did you know that Congress, in its infinite wisdom and generosity, had extended the favorable 25 percent rate beyond securities held more than six months? That capital gains now cover such transactions as profits from the sale of livestock, timber, and unharvested crops, employee stock options, pension trust lump sum payments, patent and coal royalties? Poultry is excluded, but turkeys almost got into the 1952 code.

Die right. When leaving this world be sure to leave little or nothing for the tax collector. Give away as much wealth during your lifetime as the liberal gift tax exemptions allow. If you have three children, give (jointly with your wife) each of them $6,000 a year tax free, plus another $60,000 to all of them during your lifetime. Thus in 10 years you can pass on $240,000 tax free. And when you die, your estate will have another $120,000 exemption, bringing the tax-free total up to $360,000. Anything left over should be in securities, not cash, as present rules forgive the tax on capital gains accumulated up to the time of death. Thus if you buy common stock for $100,000 and hold it till your death, by which time it has risen to $500,000 in market value, your heirs can sell the stock for $500,000 without paying a capital-gains tax on the $400,000 profit from the sale. Or you may prefer to set up a personal trust fund. Your child will get the income from the trust fund and the capital will go to your grandchild. Better yet, if you have a great-grandchild, set up the same kind of

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trust fund for him. This can be done under the so-called skip-two-generations privilege.

Buy municipal bonds. Interest paid on bonds issued by municipal and state governments is not subject to income tax. This makes these investments highly attractive to those of you in the upper tax brackets. If you are in the 50 percent bracket, a return of 4 percent on a municipal bond is equal to a return of 8 percent on a fully taxable investment. This tax forgiveness makes it easier for cities and states to finance improvement programs, but at the expense of the federal Treasury which loses more than $500 million a year in tax revenue.

Deduct state taxes. A good old-fashioned tradition going back to the Civil War income taxes of 1861-1872, allows deductions for non-business taxes paid to state and local governments. Relatively few of the chumps in low brackets claim this deduction because they take the standard 10 percent deduction instead. The affluent, on the other hand, most often itemize their deductions. So should you. If you are a $10,000-a-year man and pay an average amount of state and local taxes, you should be able to knock $470 off your taxable income. If you make $25,000 the deduction should be $1,150. If your gross is $250,000 the deduction should total $10,500.

Give money away. Shrewd taxpayers know how to make money by giving it away. Don't be left out of this bonanza. Take advantage of the tax-cutting scheme offered today by more and more colleges and universities. Under the plan, you can donate stock to a university which, in turn, sells the shares, invests the proceeds in tax-free municipal bonds, and agrees to pay you the tax-free interest on those bonds for as long as you live. You pay no capital gains tax on such stock, even though it may have soared in value, you draw a tax-free income from the college, and you get an income tax deduction for the donation. Thus your resulting income is higher after the donation than before, and the college, in turn, gets a nice fat addition to its reserves. Or, if you prefer, follow the lead of the Fords, Carnegies, and Rockefellers and set up your own foundation. There are 11,000 foundations in the nation and the strong tax incentive is the chief reason for their existence. Give your foundation some stock, a high-sounding name, and then let it loose to do good on tax-free income from your stock. This way you can satisfy your philanthropic urge and still keep control of your fortune.

Shun divorce. Old, worn-out wives should not be discarded. Even

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without alimony, it may be more expensive to get rid of one than to continue supporting her. This is due to the generous split-income provision in the tax law. This provision is, of course, open to all married couples, but very few workers are in a position to gain any substantial advantage from it. For instance, a man with a family of four who makes $4,800 a year gets no tax advantage whatsoever from filing a joint return with his wife. On the other hand, a man with a taxable income of $20,000 saves $1,980 on his tax return, and a $400,000-a-year man saves $25,180.

Avoid Park Avenue. Although a penthouse on Park Avenue can be fun, it is cheaper, income-tax wise, to own a mansion in Oyster Bay. This is because renting an apartment or a penthouse entitles you to no deductions for the interest and taxes concealed in your rent. But if you own a home, you can deduct interest and taxes on it.

Incorporate yourself. If you have a special talent for something other than making money, it may prove expedient to do as so many Hollywood movie stars have done. This is to incorporate yourself. This will entitle you to pay a corporate income tax, which reaches a maximum of 52 percent, instead of a personal income tax that ranges, as you have learned, up to 91 percent. Or profit by the example of Jack Benny who last year made a complex arrangement to "sell" his program to a radio network. In this way he paid a capital gains tax of 25 percent on what the uninitiated might have thought was straight income properly subject to much higher personal rates.

You will note that this article has stuck to legal loopholes and has studiously avoided mention of extra-legal maneuvers. For those who reject scruples as too expensive, two bits of counsel can be offered:

Don't work for someone else. This is sound advice for the capitalist who wants to thread his way through the biggest loophole of them all. This is the system in which dollars are taxed differently according to where they come from and how they are spent, with the result that equal incomes are taxed unequally. Whereas not more than 5 percent of all salaries and wages escape taxation, it is conservatively estimated that 30 percent of the income of private entrepreneurs goes unreported. This is because the tax collector gets his grip on wages at the source, but not on profits, self-employment income, interest, and dividends.

Start a carnival. A Treasury Department audit of some 36,000

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representative tax returns for the year 1949 showed that amusement services understated profits by an average of 87 percent; hotels by 36 percent; transportation, communication, and utilities by 26 percent; auto dealers by 25 percent; construction by 18.5 percent. As for entrepreneurial income, Professor Stanley S. Surrey of Harvard Law School estimated last fall that farmers leave 61.5 percent of their income off their tax returns, while businessmen and professionals ignore 12.5 percent. He also estimated that 61 percent of interest and 13 percent of dividends completely escape taxation. In 1956, the latest year for which Treasury figures are available, the total amount lost through unreported interest and dividends was $4.5 billion.

You will also notice that this self-help guide has omitted a raft of perfectly legal tax-avoidance schemes. It has not gone into loopholes for salaried executives, such as expense account deductions for club dues, Broadway shows, town apartments, hunting lodges, company airplanes, safaris to Africa, and the like; deferred payment plans; company retirement pensions and options to buy company stock at less than the market price. It has omitted oil depletion "give-aways," depreciation write-offs, dummy corporations in the tax-sheltered Bahama Islands, and that well-publicized inventory fiction of LIFO (last in, first out).

There are three reasons for these omissions: (1) a full explanation would consume much space and the author is not being paid by the word, (2) jealous have-nots have given these perfectly proper plutocratic subsidies a bad name; and so (3) further comment would only add to the scandal. Suffice it to say that all the exclusions, exceptions, exemptions, deductions, credits, etc., combine yearly to reduce taxable income by about 60 percent. In 1957, personal income was $350.6 billion. Of this, $201.2 billion was excluded for tax purposes, leaving a tax base of $149.4 billion on which taxes totaling $34.4 billion were paid.

And who is to be congratulated for the special rights that riddle the Federal tax structure? None other than Congress. It is this august assemblage that does the handing out of upsidedown subsidies to interests deemed worthy of encouragement and succor. Fortunately for you and other men of means, virtually all the special provisions have one thing in common—they help the upper-bracket taxpayer most and do little or nothing for dwellers in the low-income brackets. This should give you confidence that you too can get Congress to legislate a tax favor especially for you and others like you. Do not be

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discouraged by the failure of some. Forget that in 1958 the Jockeys' Guild made a strong pitch for percentage depletion on the earnings of its 1,200 members (the average riding life is less than four years), and that this long shot died in committee, as had an earlier proposal for a special exemption for Boy Scoutmasters. Take heart from those who have succeeded. From the success story of an author, said to be Ernest Hemingway, in whose favor Congress in 1942 added special provision to enable him to spread out his book royalties over the years it had taken to write them. Or from movie mogul Louis B. Mayer, who in 1951 got his celebrated Mayer Amendment passed. This enabled him to pay only a 25 percent capital gains tax on his $2,750,000 termination pay from MGM, and thus saved him some $2 million in taxes. The amendment was so worded that only Mayer and one other Loew's executive could take advantage of it.

Have no fear that the public or the newspapers will get wind of what you are up to when your Congressman introduces a little old amendment in your favor. As Harvard Professor Surrey so encouragingly pointed out in "The Congress and the Tax Lobbyist—How Special Tax Provisions Get Enacted" (*Harvard Law Review,* May 1957):

> Perhaps the most significant aspect of the consideration of special tax provisions by the Congress is that it usually takes place without any awareness of these events by the general public. Almost entirely, these matters lie outside of the public's gaze, outside of the voter's knowledge. The special provisions which are enacted lie protected in the mysterious complex statutory jargon of the tax law. This technical curtain is impenetrable to the newspapers and other information media. The public hears of debate over tax reduction or tax increase and it may learn something about the general rate structure. But it seldom learns that the high rates have no applicability to much of the income of certain wealthy groups. . . . Hence the congressman favoring these special provisions has for the most part no accounting to make to the voters for his action. He is thereby much freer to lend a helping hand here and there to a group which has won his sympathy or which is pressing him for results.

Lose no sleep that a labor organization or a consumer group will challenge your tax lobbyist with his deceptively simple briefs, drafts, and arguments. Even when these groups show up at tax legislation discussions, it's generally to plead for a concession in their own interest. Neither need you fear the Treasury Department which, according to

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utopians, is the one organization which should always champion tax fairness and slap down special pleaders. You have a friend in today's weak-kneed T.D., so seldom does it oppose with vigor and determination legislation aimed at depriving it of a few more billions in rich men's tax dollars.

Nor tremble that anything will come of the hearings conducted last fall by the House Ways and Means Committee. For one thing, what Congressman has time to read the 2,382 pages of testimony, to learn that virtually all the tax experts who testified agreed that major tax reform is long overdue? And finally, even if Congress did rewrite tax legislation, it probably would, as it has in the past, open more loopholes than it closed.

SHADES OF FDR!

When your liberal friends cluck and shake their heads about the awful things that Fidel Castro says and does, get them to read the following editorial from the York (Pennsylvania) *Gazette and Daily* of April 15th. It ought to jog their memories, stimulate their curiosity, perhaps even cheer them up a bit.

The Gazette and Daily is an anomaly in the United States of 1960, a principled liberal newspaper which refuses advertisements for products known to be deleterious (for example cigarettes); plugs for such issues as peace, disarmament, civil liberties, equal rights, and national health insurance; pulls no punches in covering the news; and expects political candidates to keep their promises. But it is more than an anomaly; it is also a standing rebuke to the American press. It proves that a newspaper in this country today can have principles and stand up for them *and still make money*. By doing so, does it not prove (a) that the American people are by no means as bad as their masters like to make them out to be; and (b) that the press, which serves those masters, is much worse than even its severest critics are willing to maintain?—The Editors

It puzzles us to find two fellows such as Drew Pearson and Herb Block, that fine cartoonist of the *Washington Post and Times Herald,* joining most of the rest of the press in lambasting Castro. What, actually, is the Castro government doing in Cuba? We know what we hear and read. But we know what we do not get, too. And what we do not get for the most part is news of the concrete reforms which the Castro government set forth to bring about.

Are schools being built, teachers trained, books being printed? Is the land and its use being devoted to the improvement of the lot of

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the vast majority of Cubans? What about doctors and nurses, medicine, hospitals and health techniques? Are these being provided or are there plans to provide them? How are the labor unions and their members faring? Are wages and other benefits different from what they were under the Batista regime? Is there a need for more and better housing and, if so, what is the Castro government doing about that?

We got to thinking the other day, on the anniversary of the death of Franklin Roosevelt, how the press and much of the status quo hailed the New Deal in its early stages. There were some who couldn't see it at any time, true. But there were very many indeed, severely wounded and frightened by the ravages of the depression, who felt that Roosevelt could and would make things all right again. They praised him, therefore; some of them joined him in government; his program for recovery received their general approval.

But when they came to see that he was not planning to make things all right again just for them, that their place in a going social and economic concern might not be what it was, that they might even have to sacrifice some of their former power and privilege, that the New Deal was intending to help the mass of Americans . . . why, then, they one by one turned on Mr. Roosevelt and his New Deal program and let loose a campaign of vituperation which has seldom been equalled for scope and consistency in our history.

They trotted out the Red Scare, too. Men who had been in the inside of the New Deal repudiated it, remarking that it was infested with reds and welfare-staters as well as with rank incompetents. FDR's Fireside Chats were condemned as the technique of an unprincipled demagogue who dared to go before the people speaking of economic royalists and the like. The upshot was that although they did not succeed in defeating Mr. Roosevelt, they did succeed in blunting, weakening, and finally in bringing to just about a standstill the force of the New Deal reform program. Which was their basic aim.

Now what is the truth about Castro in Cuba? He certainly has been transformed, hasn't he, from hero to villain in the space of a year or so. So transformed that we can hardly believe it. And we don't. All we can say to Mr. Pearson and Mr. Block is: Shades of FDR!

Every city is two cities—a city of the rich and a city of the poor. And these two cities are always at war.

—*Plato*

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THE JAZZ SCENE

BY JIM HIGGINS

A few years ago, when I lived for a while across the bay from San Francisco, I used to visit as often as I could a place on the Embarcadero called the Tin Angel—an abandoned and not too greatly transformed warehouse, probably, considering the waterfront location, the freight railroad track alongside, and the one-level brick construction with an entrance that brought you, with no initiation by lobby or vestibule, smack into the large space where Turk Murphy and his New Orleans revival band played. A very appropriate setting for jazz, for many reasons, most of which are stated or suggested—though, of course, with no direct reference to San Francisco, Murphy, or the Tin Angel—in a remarkably provocative book, *The Jazz Scene* (Monthly Review Press, 1960, $4.) by Francis Newton, an Englishman who has written about jazz for *The New Statesman* over the past ten or twelve years.

The book starts you remembering, associating thinking, about just what the title stakes out for its territory, *the jazz scene,* a much more extensive territory than most of us, in or out of touch with the music, may have imagined. Which is one of the book's first values: it widens the historical, the social, geographical, and esthetic dimensions of jazz; includes it in the sense of the changes taking place in human beings in this century all over the Western world; and, at the same time, makes jazz itself inclusive, all the details part of the developing scene, rather than the exclusive, different, factional-ridden arena of erratic action which it has often appeared to be.

Not that Mr. Newton omits the exclusiveness, or the difference either. The section on the Jazz Public, for example, as far as I know an original contribution to jazz literature, demonstrates that this public is almost exclusively young and pretty near as exclusively male; and the music is different, different from "ordinary popular music,"

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different from "the established art music of the Western world." But when he says such things, Mr. Newton lets them fall into the context of the relationships he is consistently sighting. Why is the jazz public young? Why was the first wave in the United States "northern middle-class youth . . . who went to college between the wars?" What is the usefulness of the music to young men on the one hand and their girl friends on the other? If it is different from ordinary popular music, what, nevertheless, are the connections, economic as well as musical? And though it does not derive from the tradition of art music, "it is a perfectly reasonable thing . . . both for classical composers and jazz musicians . . . to break through the technical limitations of jazz."

The careful and sound distinction between "composers" and "musicians" implies, does it not, the nature of the difference between the musics? Whereas the reference to technical limitations implies a host of familiar phenomena in jazz, ranging from the fact that it is a "players' music" through the special instrumentation—challenged in late years but still, for example, defeating experiments with strings—to the short unhappy lives of some of the best musicians. All of these factors get adequate discussion in *The Jazz Scene*. Adequate, that is, for Mr. Newton's purposes, which (as he writes in an excellent introduction, an essay in itself) are to survey "jazz as a part of modern life."

Just about every page of the book gets your mind going on something or other, I think probably because Mr. Newton is not trying to defend a taste or a theory of jazz, nor documenting a segment of it, three categories into which most other jazz books fall, but is rather going over the field in the manner of an honest scientist, passionately engaged and detached at the same time—and, very important, willing to risk great generalizations on insufficient but indicative data, thereby opening up the field for further exploration. If I give the idea this is a book only for appreciators or scholars of jazz, I do wrong. It's really a book for everyone who is aware that jazz exists; and this, as Mr. Newton says, is one of the most extraordinary aspects of the music, the extent to which it has made its presence felt among us all.

But let me go back to the Tin Angel and Turk Murphy, 1957, which is one of the places the pages of *The Jazz Scene* sent my memory. I used to sit there listening to, say *Workingman's Blues* or *Mecca Flat Blues, The Pearls, Down by the Riverside,* 1919 *Rag,* any one of those and many more, entertaining myself with the thought that these six musicians, in their unison of extremely individual styles

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and imaginations, were the model of what a society might be, a truly democratic society, with plenty of room for the utmost in personal creativity and every piece of expression integrated into an absolute collective with a ringing human sound. So it was only natural I would be struck by Mr. Newton right at the start, page 24: "How are we to restore the arts to their proper place in life, and to bring out the creative capacities in us all? I do not claim that jazz holds the answer . . . but [in the history of jazz] we can see how one genuine and exceptionally vigorous and resistant popular art actually works and changes in the modern world, and what its achievements and limitations are."

And, on the same theme, page 138: ". . . its supreme contribution to the popular arts is its combination of individualism and collective creation, which has long been forgotten in our orthodox culture." Then, at the very end, page 277: "In due course, no doubt, emancipated American Negroes will have their own 'New Orleans revival' " —for of course Mr. Newton points out that the postwar West Coast revivalists like Murphy were white, sprang from the jazz public, and made a deliberate choice to return to the early New Orleans style, in contrast to the cool young Negroes who wanted to leave all that behind—"being sufficiently distant from the Old South to separate the original cultural achievement of their people from the conditions of oppression in which it took place. . . . Those who have no feeling of inferiority about liking or playing jazz can only continue to defend its genuine originality and achievements, even when they are combined with things which others would prefer to forget. . . . They can, however, also do something else. They can assist the emancipation of those who are oppressed and unprivileged and feel themselves to be inferior. For that is probably the quickest way of making their point."

What point? As I get it, the construction of the kind of social organization of which the Murphy band was to me a model—and, now that I've read *The Jazz Scene,* both a model and a means—where human beings will feel so free with one another that they will be able to use whatever materials and techniques they please, letting the other guy use what he wants, the aim of all being the highest reach of personality in motion toward a richer, more beautiful, more joyous life. *The Jazz Scene,* now that I think of it, is a model, too. It endeavors to embrace the whole body of jazz, recognizing that the body changes even as hands are laid upon it; it steps back and appraises, as we all do more or less consciously, noting what features are attractive in

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themselves and what seem promising elements of new forms to come—to emerge through natural selection but with the word "natural" understood to contain in sequence the exercise of imagination, experimental play, judgment in choice and rejection, and the inventive act.

One of Mr. Newton's discoveries, by the way, is that jazz musicians and jazz public are members of the dance, sometimes near, sometimes remote, but always moving parts of the same scene, the furnishings of which are provided by the jazz business whose agents are standing at the door. Between the three of them, the movement and shape of the jazz sound develops. Nor can I leave this line without remarking that the Newton book, published in England last year, cannot help but have something to do with the swing of the jazz of the future. He writes, refusing wisely to predict, of the several directions the jazz tree may incline, depending on the weather—which is created by everything involved, not the least being an influential book like this. The appearance of *The Jazz Scene,* composed as it is by a man of knowledge and feeling, with a truly modern point of view, means a lot.

I keep coming back to the Tin Angel and the Turk Murphy band. This is only my own memory working, which I use as demonstration; the point of it, however, is the evocative quality of Mr. Newton's book, not what I personally remember. It is a history of all who encountered jazz music in the university or city days of the late twenties and early thirties, in places very disturbing, like looking at an image in a mirror which held it for twenty or twenty-five years, part of the book's significance being, therefore, that it was put together by an Englishman. Jazz is the first American art, I take it, that has come up from the floor and hit the old world—square, I was going to say. That has thrown, anyway, a real adolescent hook at the master of the American arts. Mr. Newton: "At the moment I write this in the spring of 1958 there is probably no major city in the world in which someone is not playing a record of Louis Armstrong or Charlie Parker, or of players influenced by these artists. . . ." But it landed on Europe first and hardest; the conquest of origin, you might say, there like no other thing we can call ours. Mr. Newton is not responding in self-defense but in acceptance of all that is of use to the advance; beyond protest into the revolution, to which "we" have contributed jazz.

The Tin Angel, if it was a sort of reconstructed warehouse—I

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believe the place is now no more—had a right to be. Jazz was working-class stuff to begin with. How interesting it is to be reminded in Mr. Newton's book that when times got rough with the Negro jazz musicians, they turned, like Bechet or Ladnier, Lewis or Bunk Johnson, to their trades. Mutt Carey went back to Pullman car portering. A waterfront warehouse, too, the Tin Angel. *The Jazz Scene* properly questions the simplified myth of the progress of jazz—Storyville shut down in 1918 so up the Mississippi jazz flowed—presenting instead a well-documented history of its many plantings and flowerings. But New Orleans was a port, nonetheless, where George Lewis, among others, worked as a longshoreman.

The occupation, then, by New Orleans revivalists of a building on the San Francisco Embarcadero, a building which once maybe bustled with handcarts and the language of the longshore, was logical, it seemed to me, as I read Mr. Newton's book. Likewise with the freight train tracks outside, for he points out that the train is one of the pervading symbols of the poets of the blues. Take, too, the door that admitted you direct without hallway or anything of the conditioning sort, to the music room of the Tin Angel. How about this being akin to the opening phrases of the great blues, which pull you into the mood at once? Or to the straight, truthful, lucid, uncompromising statement of jazz—here it is and this is it—in words or music? I do not know, really, if any of these impressions fill the bill. What I'm trying to indicate is that *The Jazz Scene* is full of inducements to speculate upon experience; it leads to novel consideration of things not altogether seen or heard previously.

Ladnier, Albert Nicholas *et al* had trades—at any rate, jobs of a kind to which they were accustomed, shining shoes or airport redcapping. Put that beside Mr. Newton's finding that the postwar white New Orleans revivalists came out of the "jazz public." Murphy is an enthusiast of sports and foreign cars, an expert mechanic; also a good cabinetmaker; in his high school days in San Francisco he played football well. Then there was the time I asked him how he would describe himself politically: "As a conservative anarchist." I asked him what that was. "That's me!" he said. It seemed then he was illustrating a chapter in the book of postwar jazz, but not until *The Jazz Scene* did I start putting it all together.

Murphy's mechanical capabilities are strictly amateur, something he would probably not do for a living no matter how tough a scuffle music became. (It is another sign of the general character of the

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white revivalists that Murphy's automobile fanaticism drew him not towards garage work but to rather grand schemes of a dealership in imported cars.) As for politics, his are radical (relatively speaking) and individual, which make him at once true to the consistent political nature of jazz musicians that Mr. Newton mentions, and true, too, to the lonely rebellious politics of the young postwar jazz public. Further, it relates him and his colleagues to the postwar Negro musicians who were dealing in another musical language, the cool; but some of them were anarchists just the same, of their own lonely kind, turning toward Mecca, and away from the NAACP or any other organized endeavor. When these musicians are not working, how do they live? I sense they live off the urban land. But no matter. No more than Murphy would they feel right as musicians dropping into a working-class occupation. Lu Watters, to be sure, the most distinguished pioneer of the West Coast revivalists, quit and went short-order cooking, I heard, somewhere off in Nevada. But that seems to be a special case, reminiscent in a way of fellows like Bix or Berigan, who quit, finally, cold, with good reason for being worn to death, as Mr. Newton hints.

The sections in *The Jazz Scene* on the "jazz business" are very good. Some years ago Ernest Borneman used to write about the "trustification" of the jazz and popular music industry; although pop music is processed, rather than original, music, it and jazz arrive through the same merchandising channels, are set out now on similar display counters—and inhabit identical pavilions. However, writes Mr. Newton, referring to the booking monopoly, "the jazz and pop music business is so fluid, and requires relatively so little long-term investment of capital, that these monopolist tendencies make comparatively little difference to the general picture, which is one of old-fashioned cut-throat competition."

Almost all his citations come from Great Britain, which in the obvious way is a drawback but in another, not. The clarity and precision with which he proceeds to analyze the business ought to stimulate somebody—Ralph Gleason is well equipped for the job—to dig into the American racket, where, as Ralph and many another well know, the honest performer who makes it alive through the gauntlet of agents, bookers, club owners, ballroom entrepreneurs, artist and repetoire executives, flacks and "personal advisors," is musically incorruptible, like Bessie Smith, Leadbelly, or Big Bill Broonzy, or very much shortchanged in style thereby, like, say, poor Billie Holiday. Still and

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all, the business seethes so violently that no one knows what music may come up next; which means that as a commodity it is as yet too unpredictable for overtures from the packaging and promotion professionals, who prefer a sure stable thing which they can keep dressing in a bewildering succession of deceptive costumes. And this in turn means that not only does "old-fashioned cut-throat competition" persist but also a certain amount of chance for jazz of varying appeal, tone, and emotional pressure to try its luck.

Mr. Newton is aware of the forces working to tame jazz and the jazz musician. He keeps his eyes open, nevertheless, to the facts, observing the fierce freedom in the chaos of the business—like the garment industry, he says—and pointing to legitimate avenues of escape in the movies, which have been attempted, and in the ballet, which have not. In short, he has much to offer to the jazz musician, the student, the appreciator, the reporter, the random listener. Not to leave out the poets and novelists, who puzzle Mr. Newton: Why have they done so little with the tremendously stirring human materials of the jazz world?

No music in history has touched so many in so short a span of time. Even the jazz language, to which Mr. Newton devotes a short but comprehensive appendix, has come a long way fast. Phrases and allusions which were the property of a special few—or so we liked to think—twenty years ago, are now in the common vocabulary of youth. Astonishing, at times, to hear my daughters and their friends. What does it all signify, keeping in mind that we are dealing not with a fad or fashion but with "one of the most remarkable cultural phenomena of our century," with a "folk-music . . . that has maintained itself in the environment of modern urban and industrial civilization," with a popular art that has produced "artists of superb calibre and overpowering genius, works of pemanent value . . . a literary achievement (the blues, foundation of jazz) of considerable importance. . . ?"

Mr. Newton writes: "By its very nature and origins jazz expresses some kinds of protest and heterodoxy and lends itself to the expression of others."

Why, he asks, should it be so eminently suitable to those who wish to protest?

And answers: "Because it is 'common people's music,' which, both by its social origins and associations, and by its musical peculiarities, lends itself to such interpretation even where it is not designed for it." The origins and associations, as well as the musical peculiarities, are

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all described in *The Jazz Scene,* the largest book yet, in my opinion, on this large subject, for which Mr. Newton makes no undue claims. But where would we be without the release it has provided, alternative to blandness, deceit and hypocrisy, to the degeneration of song and "the real truth of life," offering itself so generously to the young and the young of heart in the great transformation that is going on?

A COMMENT ON "THE EUNUCH SPEAKS"

BY BURNHAM P. BECKWITH

In a most interesting article, "The Eunuch Speaks," (*MR,* November 1959), Professor Martin Bronfenbrenner cogently discussed the pressures and penalties which strictly limit the expression of radical social theories by university social scientists. He also explained how some advanced social thinkers might work fruitfully under these oppressive conditions, and appealed to radical young intellectuals to make more efforts to do so. I should like to supplement his discussion.

A few years ago, *Fortune* published a study of a dozen of the most able younger American natural scientists and reported that they were distinguished, among other things, by an unusually keen desire to work on crucial problems, those whose successful solution leads to the most enduring fame. I believe the same is true of the ablest young social scientists. But in the social realm the most crucial problems are those which require a radical solution and are therefore either virtually ignored or treated ineffectually by orthodox social scientists.

The world has long been moving steadily to the Left, and this movement is speeding up. The most crucial problems in social science are all problems of how to move Left. And the greatest social theorists

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of our century are certain to be those who have stated the most successful radical solutions to these problems.

This hypothesis can easily be supported by a review of the 19th century. The social scientists of that century who are now best remembered and most influential—Comte, Bentham, Marx, Engels, to name only a few—were all radicals. They dealt radically with critical social problems, and hence they still interest us. By contrast, the professors who discussed only the minor social problems of the day, or who suggested minor reforms to solve major problems, have been largely forgotten.

The purpose of all science is effective control over events. Social science is a science of rational social control over social events. Hence, the progress of social science inevitably increases demand for social control over social events, and the greatest social scientists are those who formulate the most novel and comprehensive, i.e., radical, programs of effective social control. Social science leads from *laissez faire,* through increasing interventionism, to comprehensive social coordination—in other words to socialism and other forms of national and international coordination.

There are other reasons why the world is steadily going socialist, but we need not repeat them here. The striking and significant fact is that, while one billion people already live under socialist governments, social scientists have virtually ignored the crucial problems of how the social problems of these countries should be solved. For instance, orthodox economists have almost completely ignored the problems of how socialist prices, wages, rents, interest, and taxes should be determined. They have left these crucial problems to radical economists, who thus have a wonderful opportunity to work almost alone on the problems most likely to interest future generations.

Orthodox social scientists concentrate upon apologetic description of the *status quo,* a safe but uninspiring task. Radicals prescribe how the *status quo* should be transformed. They are designing a new society. They are social architects and engineers. Hence their work is far more significant than that of professors of social science. And the citizens of the new society are certain to recognize this.

It may be answered that new societies, like new buildings, must be constructed gradually, by making innumerable small daily changes. I do not think this is always true, but it is often true. In any case, small gradual changes are far more likely to produce a superior society when they are based upon properly prepared social or archi-

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tectural plans. And in a rapidly evolving world all long-run social plans must be radical, must picture a radically different social order. The architect of such a plan is obviously much more important than the foreman who sets the small daily task necessary to carry out the plan. Perhaps the chief difference between radical and orthodox social scientists is that the former look much farther ahead. If American statesmen were wise, they would spend ten billion dollars a year on the creation, elaboration, and constant revision of the basic data and plans needed for radical long-run social change.

I turn now to the question of how the radical social scientist is to support himself while working on the vital social problems neglected by orthodox social theorists.

Most parents have always insisted that their children be taught only conventional social doctrines. They allow professors to suggest minor, but not major, social reforms. Thus none of the four great social scientists mentioned above were university teachers of social science. Bentham was supported by his parents until he inherited an income. Comte was a poor tutor of mathematics. Marx was supported by part-time journalism and by his friend Engels, who worked for his father's firm. James and John Stuart Mill both worked for the East India Company, and did their scientific work in leisure hours. This list could be much lengthened.

Professor Bronfenbrenner argues that few contemporary American professors of social science have been seriously handicapped, intellectually castrated, by their employers. I cannot agree. But, if his claim is true, it demonstrates that few if any university social scientists are intellectually virile enough to require castration. A modern Bentham, Marx, or Darwin would not last long, if he ever secured a chair in an American university.

But my main point is that this should not discourage the aspiring radical student from becoming a social scientist. It is precisely because professors are not allowed to publish radical theories about the solution of crucial social problems that the able radical thinker has a wide-open, little-trod road to great achievement and enduring recognition before him. But he must carefully plan his life so that he will not be dependent upon a university or government salary.

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WORLD EVENTS

By Scott Nearing

Tumult and Turmoil

Springtime, 1960, found the United States ship of state rocking and rolling uncomfortably. The ship itself was still seaworthy, but the sea seethed like a boiling cauldron.

Late in April, on the eve of important pre-summit western conferences scheduled for Istanbul, martial law was declared in Istanbul, Ankara, and Izmir, while the police and military strove to disperse riotous student mobs demanding the resignation of the repressive Menderes government. During the same week a "student-led insurrection," as the New York Times called it, was driving the government of South Korea from power, leaving to a caretaker government "the task of piecing together the country's shattered political structure." (*New York Times,* May 1.) Meanwhile, thousands of Japanese students continued their riotous protests against the ratification of the new Washington-Tokyo treaty. In Turkey, South Korea ,and Japan, young people were the moving forces. News reports described Korean mobs as composed of university, high school, and grade school youngsters.

Meanwhile, over the Easter weekend, ten thousand British demonstrators began a march from Aldermaston (atomic energy center) to London, fifty miles away. On the second day of the march, twenty thousand were in line. On the third day, forty thousand in a six-mile-long parade with bands, banners, and slogans marched into Trafalgar Square and were cheered by an additional sixty thousand people who packed the square and the adjacent streets in one of the most massive public protests ever witnessed in Britain's staid capital.

White supremacy advocates in South Africa, using the police and military to enforce segregation and subjugation on the colored majority of the country, had led into an open conflict, with huge demonstrations, strikes, boycott, mass arrests, wholesale beatings, and shootings of native Africans by the white authorities.

Instead of subsiding into the customary office-grabbing and corruption that usually follow Latin American power-seizures, Cuba's revolutionary upsurge continued to hold the publicity center of the

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American stage, with its strident denunciations of the United States, its expropriations, and its efforts to plan the Cuban economy, provide land for cultivators, diversify agriculture, establish appropriate local industries, replace slums with decent living quarters, open schools, and improve public health.

These widely scattered outbursts of public disapproval and mass enthusiasm occurred shortly before the scheduled summit meeting in Paris. They took place in some of the most vital centers of the Western defense system. They were led by the youth of many lands shouting in many languages their protests against basic United States foreign policy.

Britain's Heir-Apparent

In the mid-19th century Britain was top dog among the world empires. In terms of production the British Isles were the world's workshop. The British pound sterling was standard in international finance. Exchange transactions were commonly routed through London. Britain was the world's chief exporter and importer of goods and services. The British merchant fleet sailed the seven seas under the protection of the world's most powerful navy. British business had more capital invested overseas than any of its imperial rivals. Britain's colonial empire, occupying a quarter of the planet's land surface, contained a quarter of the human race. Until the latter part of the 19th century Britain was recognized and accepted as chief world power.

Washington's position in the mid-20th century parallels that of London a century earlier. United States production, wealth, and income are greater than those of any other nation. The dollar has been and (despite some inflation) still is standard in international finance. The United States is the world's largest exporter and importer of goods and services. United States business has more capital invested overseas than any of its rivals. The United States navy patrols the north Atlantic, the north Pacific, and the Mediterranean. The United States air force controls the approaches to Europe and Asia, as well as those to the Western Hemisphere. United States military bases, scattered around the Northern Hemisphere and occupied by about a million men in uniform, are prepared to back up policy decisions with armed force. The United States is consulted and its decisions carry great weight in the determination of international policy.

Thus far British world power in the 1850's and United States world power in the 1950's parallel one another closely, but the posi-

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tions differ in two essential respects. Geographically, imperial power in 1850 centered in Europe, with Britain the recognized leader of half a dozen world powers. In 1950 the United States occupies a position separated by two broad oceans from the Eurasian land mass.

Historically, capitalist imperialism was approaching the zenith of its development in 1850. During the past half century every one of the great powers of 1850 has either been overthrown by revolution (Russia), defeated and dismembered (Austria-Hungary), defeated and stripped of its possessions (Germany), defeated and bankrupted (France), or has suffered heavy war damage and would have been bankrupted in the absence of seven billion dollars of postwar United States aid (Great Britain). In 1850 Britain was one of several solvent, apparently stable capitalist powers which, in every truth, ruled the planet. In 1950 there was one solvent capitalist power, associated with remnants and fragments of the 19th-century capitalist Empires.

There were two other elements in the 1950 picture—a score of former colonies and dependencies newly emancipated from imperialist bondage, and an important group of nations and peoples dedicated to socialist construction.

These geographical and historical limitations presented United States policy-makers with the three sharply divergent possibilities: (1) Isolation in a Fortress America, or possibly a Fortress North America, under a 20th-century version of the Monroe Doctrine. (2) Progressive leadership of an American technological and social evolution, and collaboration with the revolutions taking place in Europe and Asia. (3) A counter-revolutionary drive to (a) check and reverse empire liquidation, (b) check and reverse the advance of socialism, and (c) bring the former colonial peoples back into line under some pattern of commonwealth or federation that would preserve a near monopoly of industrial production for the capitalists, while the former colonies would continue to supply the imperial centres with food and raw materials in exchange for manufactured goods and services.

United States policy-makers, with President Truman as their spokesman, chose restoration, reaction, and counter-revolution; launched the cold war in 1946 and the Truman Doctrine in 1947; and laid the foundations for the foreign policies that Washington has been following during the subsequent fifteen years.

The Search for Entangling Alliances

A United States program based on the four propositions—restore

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imperialism, destroy socialism, get the colonials back into harness, and inaugurate the American Century—could not be implemented by one geographically isolated country, however massively armed. Only a worldwide regrouping of revitalized capitalist powers could hope to achieve such results. It was the Washington-formulated policies to restore and regroup against which the young people of the "Western," "free" world were demonstrating in April-May, 1960.

There were several tasks in the restoring and regrouping process. The first was to separate sheep from goats. On one side were the children of light living in their free world; on the other side were the slaves of darkness and evil: capitalism versus communism. This effort provided the ideological formulation of the cold war.

The second task was the restoration, under Marshall Plan auspices, of the former European center of world imperialism, built around a united Western and Central Europe, including Britain, France, Spain, and a reindustrialized and rearmed Germany. Politically, this conception took form as the North Atlantic Treaty Organization.

The third task was to parallel NATO by a Middle East alliance headed by Egypt, and a Far East Alliance headed by Nationalist China—or failing that, by India or Japan, and built around the Japanese Treaty of 1951.

The fourth task was the coordination of NATO, Central Treaty Organization (the former Baghdad Pact), SEATO, and the Organization of American States into a tough anti-Communist alliance, financed and armed by the United States.

Within these four groupings, if it proved to be necessary, Asians could fight against Asians, Europeans against Europeans, and Americans against Americans, to preserve the law and order of the imperialist jungle. On two policies all must agree: the restoration of imperialism and the destruction of socialism.

Through this network of alliances, United States policy-makers proposed to achieve their four counter-revolutionary objectives: (1) check and reverse empire liquidation; (2) check and reverse the advance of socialism; (3) get former colonials back into imperial harness; (4) inaugurate the century of American world domination and exploitation.

Disruptive World Forces

Washington's network of international alliances, backed by the

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productivity, wealth, and military might of the United States, was designed to utilize, contain, control, and direct the course of contemporary world history, in much the same way that London's international alliances, backed by the productivity, wealth, and military might of the British Isles and the British Empire, utilized, contained, controlled, and directed world affairs during the 19th century. Such a parallel and such a program were in the background of United States policy-making during the six decades that began with "America's Manifest Destiny" during the Spanish-American War of 1898, and led up to the present cult of The American Century.

Historical parallels are fraught with danger because inevitably they are marked by differences. Peace, stability, progress, and prosperity characterized the 19th century. War, insecurity, colonial revolt, social revolution and counter-revolution have dominated the first sixty years of the 20th century.

Before they can hope to inaugurate The American Century, Washington's policy-makers must meet and master the disruptive forces that are upsetting and subverting the life pattern of 20th-century man. These disruptive forces include:

1. The universal process of change which has dogged the steps of humanity during the entire course of the present century and has been stepped up as the century advanced.

2. The cyclical nature of social growth and decay, and the transition, metamorphosis, or transformation which takes place in a society that is passing from one culture level to another.

3. The cumulative, compulsive consequences of discovery, innovation, science and engineering as expressions of man's urge to conscious improvement and betterment.

4. The results of purpose, foresight, planning, and other expressions of rationalization designed to conserve and utilize the forces of nature and human society.

5. Changes in the relations between productivity and destructivity which now make it possible, in a moment, to turn into rubble a city built in the course of centuries.

6. Space contacts and space travel, presenting human beings with a new dimension of interest, study, and association.

7. The inexorable pressures exerted by human masses, moving toward what they regard as life, liberty, justice, and happiness, and throwing to the winds fragments of the alliances, treaties, constitutions, and other scraps of paper written by previous generations.

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There are other disruptive forces reshaping life in the mid-20th century. These examples should give pause to any national group of policy-makers which proposes to revamp present-day world forces for their own local advantage and to name the result after themselves.

The Tragedy of United States Policy

Tragedy, in the classical meaning of the word, was a dramatic confrontation of Man and Destiny, in which man was worsted. In this classical sense, United States foreign policy is a tragedy, because the Washington government is following policies that lead to disaster.

Germany and Japan, reindustrialized in part with United States money as a phase of its foreign policy, once again are driving United States businessmen out of Latin American and Asian markets.

Restored capitalist Europe is dividing into two power groups: the Inner Six, headed by Germany, and the Outer Seven, under British leadership. Similar rival blocs began two suicidal wars—one in 1914, the second in 1939. A third war fought with radiation, germs, and chemicals is now in the works. (See C. Wright Mills, *The Causes of World War Three,* 1958.)

Billions of American money and supplies invested in Chiang Kai-shek's Chinese Nationalists helped to strengthen the Chinese Communists to the point where they could defeat Chiang's American-trained and equipped armies and use captured American arms to drive them from the Asian mainland.

Dividing Korea at the 38th Parallel and building South Korea into a powerful United States military base has antagonized Asia and outraged South Koreans to the rebellion point.

Remilitarized Japan, under United States guidance, and the continuance of United States military bases in Okinawa and Japan proper have played a leading part in the development of Japanese anti-Americanism and its powerful anti-war movements.

Instance after instance of the failure of United States policy-makers to reach their local objectives and to move toward their American Century goal should convince any rational being that the program is unworkable.

William A. Williams, University of Wisconsin history professor, had these facts and forces in mind when he wrote *The Tragedy of American Diplomacy.* It is a tragedy because the nature of world geography and the present-day setup of world historical forces condemn it to certain and costly defeat.

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(*continued from inside front cover*)

Claud Cockburn's book *Crossing The Line* seems to be as delightfully funny to some of our readers as it was to us. That's what we gather from the expressions of joy that have come in to date. Why not send it to a sick friend?

The two latest MR Press pamphlets, *Marxism and Psychoanalysis* by Paul Baran with comments by four specialists and a rejoinder by Baran, plus *Thinkers and Treasurers* by Barrows Dunham, have been mailed out. Members of the Associates will receive both pamphlets free. (Have *you* joined the Associates yet?) All others can order the pamphlets at 50¢ each, five for $2.

We have received the following letter from a reader:

> I have just finished reading Alexander Crosby's "A Perpetual Platform" in the April issue. Crass plagiarism! Copied almost word for word from the 1956 Republican platform, except the plank on unemployment, which comes from Cal Coolidge's 1924 platform. Can't you be original?

To our request for a comment, Mr. Crosby replied: "I do not choose to run the risk of replying to Mr. Schwartz because he is obviously non-existent. It is inconceivable that any real person could remember the Republican platform of 1924." There the matter rests.

The following announcement from The Fund for Social Analysis should be of interest to many of our readers:

> The Fund for Social Analysis is again offering a limited number of grants-in-aid for studies of problems posed by Marxist theory and its application. Projects for books and essays in all fields of social science, including social philosophy and the sociology of science, are welcomed . . .
>
> Grants ordinarily range from $500 to $3,000, but applications for larger or smaller amounts are considered. Grants may be requested for an entire project, or for any part, or for assistance in research, editing or publication. . . .
>
> Since 1958, the Fund's first year of operation, 6 grants totalling $9,000 were made in the fields of economics and history.
>
> Letters of inquiry and requests for information should be addressed to the Corresponding Secretary, The Fund for Social Analysis, Room 2800, 165 Broadway, New York 6, N.Y.

An important note to summer vacationers: the combined July-August issue is usually mailed on July 1st or soon after. If you will be on vacation in July and there will be no one at home to receive your mail, be sure to send us—*right away,* if possible—your vacation address. If you plan to vacation in August only, then don't bother to send us a change of address since no magazine is mailed to you in August. We hope our book on Cuba will help make your vacation a happy one.

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